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November 2, 2005

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station  
Boston, MA 02110


Re: NSTAR Gas Company, D.T.E. 05-46

Dear Secretary Cottrell:

Enclosed for filing please find NSTAR Gas Company's responses to the Department's record requests in the above-referenced matter.

Thank you for your attention to this matter.

Sincerely,

  
Stephen August

Enclosures

cc: Carol M. Pieper, Hearing Officer  
Service List

NSTAR Gas Company  
D.T.E. 05-46  
Department of Telecommunications and Energy  
Record Request: DTE-1  
Person Responsible: Max Gowen  
November 2, 2005

Record Request DTE-1

Please provide a corrected page 24 of Exhibit NSTAR-1.

Response

Please see Attachment RR-DTE-1.

3. Basis for Selecting Design-Winter Planning Standard

In the Company's last Forecast and Supply Plan, the Department approved the Company's Design Day of 1:50 and Design Year of 1:33. NSTAR Gas Company, D.T.E. 02-12, at 14-15 (2003). Based on the Company's update of the NCI Study, an analysis of the new EDD database, and a review of current market conditions in the gas industry, the Company believes that a design-winter standard of 1:33 is still reasonable.

As shown in Table III-5, the range of EDD design winter standards identified in the NSTAR update of the NCI Study is between 1:30 to 1:120. The Company's existing standard of 1:33 clearly falls within the range, near the lower boundary of the range. The flexibility of the NSTAR resource portfolio (including its large storage and vaporization capability at Hopkinton), current market conditions, and recent Company experience justifies the selection of a design-winter standard near the lower end of the range.

The Company's experience during the unusually cold weather that occurred in January 2004 demonstrates the flexibility in meeting supply need due to recent market developments and supports the Company's previous decision to reduce its design winter standard from 1:50 to 1:33. During the extremely cold month of January 2004, the Company sent out nearly 2 BCF of LNG from the Hopkinton facility. The Company began purchasing city gate quantities of gas on January 27 and by the end of the month, it purchased nearly 200,000 dth, which displaced a similar amount of LNG. Prices at this time of the month had dropped significantly from the historically high prices that occurred during the earlier part of the month.<sup>1</sup> Considering the unusually cold weather

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<sup>1</sup> On January 15, 2004, Gas Daily reported AGT city gate prices from \$38 to \$65/dth with a midpoint of \$63.42/dth and TGP city gate prices were \$30 to \$65/dth with a midpoint of \$49.81/dth. During the period from January 27 through January 31, 2004, the Algonquin prices ranged from \$7.30 to \$16.50/dth with a midpoint average of \$11.40/dth, while TGP prices ranged from \$7.10 to \$15.00/dth with a midpoint average of \$10.60/dth.

NSTAR Gas Company  
D.T.E. 05-46  
Department of Telecommunications and Energy  
Record Request: DTE-2  
Person Responsible: Robert Koster  
November 2, 2005

Record Request DTE-2

Referring to page 48 of Exhibit NSTAR-1, Table V-2, please identify the residential and commercial firm sales separately for Pine Hills and the North Point Development.

Response

Please see the table below:

<b>New Projects Firm Sales (BBtu)</b>						
<b>Year</b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>
<b><u>North Point</u></b> (Cambridge- Residential)	0	25	50	75	100	125
<b><u>Pinehills</u></b> (New Bedford)						
<b>Residential</b>	30	50	70	90	110	130
<b>Commercial</b>	4	4	4	4	4	4
<b>Pinehills TOTAL</b>	34	54	74	94	114	134
<b><u>North Point &amp; Pinehills</u></b> <b><u>TOTAL</u></b>	<b>34</b>	<b>79</b>	<b>124</b>	<b>169</b>	<b>214</b>	<b>259</b>

NSTAR Gas Company  
D.T.E. 05-46  
Department of Telecommunications and Energy  
Record Request: DTE-3  
Person Responsible: Robert Koster  
November 2, 2005

Record Request DTE-3

Please provide a backcast analysis that applies the Company's forecasting model to actual calendar year 2004 sendout.

Response

The Company re-estimated its forecasting equations using historical data through calendar year 2003. The Company then used the re-estimated equations to forecast sendout for calendar year 2004, and compared this result with actual 2004 sendout amounts. The analysis indicates the reliability of the forecast model's predictive power, which resulted in only a -0.2 percent difference between 2004 actual and 2004 forecast amounts. See the table below for a breakout of this analysis by customer class.

<u>NSTAR Gas Company</u>	<u>Actual (MMBtus)</u>	<u>Forecast (MMBtus)</u>	<u>Actual v. Forecast % Change</u>
Residential	22,979,773	23,972,397	-4.1%
Commercial	15,401,156	14,623,375	5.3%
Municipal	2,737,911	2,729,722	0.3%
Industrial	5,542,330	5,430,068	2.1%
Total	46,661,170	46,755,563	-0.2%